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DEPARTMENT OF COMMERCE

International Trade Administration

[Docket No. 180507461-8461-01]

RIN 0625-XC039

Revisions and Clarifications to User Fees for Export and Investment Promotion Services/Events

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice of Revised User Fees.

SUMMARY: The International Trade Administration (ITA) recently implemented new user fees for its export and investment promotion services/events in light of an independent cost study, which concluded that ITA was not fully covering its costs for providing services under the prior fee structure. Federal agencies are directed by Office of Management and Budget (OMB) Circular A-25 to ensure they recoup their costs when providing certain services. ITA is announcing revisions to its export and investment promotion User Fee Schedule, published on July 10, 2017.

DATES: This user fee schedule will be effective on **July 1, 2018**.

FOR FURTHER INFORMATION CONTACT: Mr. Joe Carter, International Trade Administration, Global Markets, Office of Strategic Planning, 1400 Constitution Avenue, NW, Rm. 21022, Washington, D.C. 20230, Phone: (202) 482-2484.

SUPPLEMENTARY INFORMATION:

Background

Section 6 of OMB Circular A-25 directs agencies to assess a user fee “when a service (or privilege) provides special benefits to an identifiable recipient beyond those that accrue to the general

public.” A “user fee” is the amount paid by a recipient of a special benefit beyond those benefits accruing to the general public. A “special benefit” may accrue and a user fee should be imposed when a government service: (a) enables the beneficiary to obtain more immediate or substantial gains or values than those that accrue to the general public; (b) is performed at the request or for the convenience of the recipient, and is beyond the services regularly received by members of the same industry or group or by the general public; or (c) provides business stability or contributes to public confidence in the business activity of the beneficiary.

ITA offers export and investment promotion services/events to U.S. businesses that consist of Standardized Fee Services/Events and Non-Standardized Fee Services/Events. For each of these services/events, fees are collected according to the User Fee Schedule that is made available on the <http://2016.export.gov/csuserfees/> website and agency publications. The “Standardized Fee Services/Events” listed in the User Fee Schedule are services/events that are performed in the same general manner by all field units. Other “Non-Standardized Fee Services/Events” entail substantive variation of the scope of work with fees based on the estimated level of effort required and all direct costs incurred. ITA is revising the user fees and offerings for both Standardized Fee Services/Events and Non-Standardized Fee Services/Events based on questions and concerns raised by ITA clients and partners since the current fee schedule was published on July 10, 2017 (82 FR 31752) that announced updates to the ITA user fee schedule for export and investment promotion services/events. The revised User Fee Schedule below lists the fee for each Standardized and Non-Standardized Fee export and investment promotion service/event. Fees listed in the revised User Fee Schedule are for ITA staff time only and do not include other direct costs (i.e., transportation, venue rental, catering/food, etc.), which will incur an additional user fee to cover the full cost.

Summary of Revisions

The following services/events, which were previously considered “Other Customized Services/Events,” have been added to the User Fee Schedule to provide more clarity about ITA service/event offerings (please see the descriptions of these services/events in the section below):

- Conference: Non-Standardized Fee
- Customized Market Research: Non-Standardized Fee
- Foreign Buyer Delegation: Non-Standardized Fee
- Official Letter: Standardized Fee
- Seminar: Non-Standardized Fee
- Seminar (Investment Promotion): Non-Standardized Fee
- Trade Event: Non-Standardized Fee
- Trade Event (Investment Promotion): Non-Standardized Fee
- Virtual Fair: Non-Standardized Fee
- Virtual Introduction: Standardized Fee

The following services/events have been renamed:

- Certified Trade Mission: previously listed as “Certified Trade/Investment Mission”
- Contact List: previously listed as “Verified Contact List”
- Facilitated Investment Mission: previously listed as “Certified Trade/Investment Mission”
- Other Services/Events: previously listed as “Other Customized Services/Events”

The following services/events have been removed:

- Investment Promotion - Gold Key Service: this fee was inadvertently listed

In addition, the following clarifications have been made to the fees previously listed in GM’s User Fee Schedule:

- Certified Trade Mission: Converted to a Non-Standardized Fee Service/Event, except for any Gold Key Service or Initial Market Check provided to participants, given substantial variations in the scope of activities performed that were raised to ITA attention by clients and partners.
- Facilitated Investment Mission: When the full package service is not requested, converted to a Non-Standardized Fee Service/Event given substantial variations in the scope of activities often performed that were raised to ITA attention by clients and partners.
- Featured U.S. Exporters: Additional Standardized Fee options have been included to account for standardized variations of the activities performed for this service.
- Gold Key Service: Additional Standardized Fee options have been included to account for standardized variations of the activities performed for this service.
- International Company Profile – Partial: Revised the standardized fees based on revisions to the scope of work for this service and updated information collected on the level of effort required to perform it.
- International Partner Search: Fee corrected to the appropriate level of effort due to a calculation error.
- International Partner Search Plus Virtual Introductions: Fee corrected to the appropriate level of effort due to a calculation error; additional Standardized Fee options have been included to account for standardized variations of the activities performed for this service.
- Single Company/Location Promotion: Converted to a Non-Standardized Fee Service/Event given substantial variations in activities performed that were raised to ITA attention by clients, partners and staff.

- **Foreign Companies:** A column has been added to the User Fee schedule denoting the fees that will be charged to all foreign companies regardless of their size to provide assistance connecting them to U.S. exporters.

Description of the Services/Events Listed in the Revised User Fee Schedule

The services/events included in the revised User Fee Schedule are described below with the revisions *italicized* for emphasis.

1. **Business Service Provider:** A listing of U.S. and foreign business service providers that offer export/investment assistance, such as consultants, lawyers, freight forwarders, etc. The fee is paid for by the business service provider to be listed on ITA websites.
2. **Certified Trade Mission** *(previously listed as Certified Trade/Investment Mission):* Provides a group of U.S. companies or economic development organizations with a market briefing, networking reception, Gold Key Service *and/or other services* in-country as part of a mission organized by a private sector entity. These missions are different from Department of Commerce *Executive-led Missions*, which are organized by Industry and Analysis/Trade Promotion Programs.
3. **Conference** *(not previously listed): Provides export/investment knowledge and/or market intelligence at a conference.*
4. **Contact List** *(previously listed as a Verified Contact List):* Provides U.S. companies with a basic contact list of up to five to 10 agents, distributors and partners in a foreign market. The information included in the contact list will have been reviewed and verified for accuracy only and no information will be provided on the level of interest in the client's products/services.
5. **Customized Market Research** *(not previously listed): Provides U.S. companies with answers to questions specific to the client's products/services in a market; including market structure,*

trends and size, customary distribution and promotion practices and key competitors and agents, distributors, or strategic partners in the market.

6. Facilitated Investment Mission (previously listed as Certified Trade/Investment Mission):

Provides a group of U.S. economic development organizations with a market briefing, networking reception and matchmaking services in-country.

7. Featured U.S. Exporter: Provides U.S. companies with an opportunity to enhance their international marketing efforts through improved search engine optimization via .gov link-backs to their company's website. The service entails listing their goods/services overseas on a trusted U.S. government website with a brief description and contact information.

8. Foreign Buyer Delegation (not previously listed): *Support provided to foreign buyer delegates to assist them in identifying and connecting with U.S. exporters at trade shows/events and on trade missions. Typically, this support is covered by the fees paid by trade show/event/mission organizers and/or U.S. company participants. However, in some circumstances fees need to be charged to the foreign buyer delegates to cover the costs incurred by ITA.*

9. Gold Key Service: Provides U.S. companies with matchmaking appointments with up to five interested partners in a foreign market. The *full* service includes identification and outreach to potential matching firms, sending client's information to identified matching firms, preparing a profile of interested firms, attending the appointments and providing a report with the profile and contact information for interested firms.

10. Initial Market Check: Provides U.S. firms *with an initial assessment of the market potential of their product or service in a targeted market. The service gauges the potential of a specific product or service in a market by gathering feedback from up to five industry participants and*

provides written recommendations on whether to pursue the target market. The service does not guarantee interest by the contacted industry participants.

11. International Company Profile – Full Report: Provides U.S. companies and economic development organizations with a comprehensive background report on a specific foreign company, including: *general business information, background and product information, key officials, references contacted by ITA, financial data/creditworthiness information, reputational information*, a site visit and interviews with principals; information sources consulted in preparing the report; and analysis of information collected.
12. International Company Profile – Partial Report: Provides U.S. companies and economic development organizations with a general background report on a specific foreign company based on *publicly available information*; including general business information, background and product information, *key officials, financial data/creditworthiness information (only when publicly available) and reputational information*; information sources *used* in preparing the report; and brief analysis of information collected.
13. International Partner Search: Provides U.S. companies with a list of up to five partners/distributors that have expressed an interest in the client's goods/services. The service includes identification and outreach to potential matching firms, sending client's information to identified matching firms, preparing a profile of interested firms, and providing a report with the profile and contact information for interested firms.
14. International Partner Search Plus Virtual Introductions: Provides the same as the International Partner Search service listed above, but also includes virtual introductions via conference calls with up to five of the contacts identified. *Additional fees apply if more than 5 introductions are arranged with the identified partners.*

15. Official Letter (not previously listed): A letter provided by ITA to help U.S. companies comply with local regulatory requirements that must be followed to conduct business in certain foreign countries (i.e. Colombia, Philippines, and Thailand). The letters can address reciprocity, appropriateness of documents and other issues specific to a foreign market.
16. Other Services/Events (previously listed as Other Customized Services/Events): Includes all other services/events not listed.
17. Seminar (not previously listed): Provides U.S. companies and economic development organizations with export/investment knowledge and/or market intelligence from ITA and public/private sector experts via an in-person seminar.
18. Single Company or Location Promotion: Provides a U.S. firm or locality with a promotional event (such as a technical seminar, press conference, luncheon, dinner, cocktail reception, etc.) to help increase awareness of their locality or existing/new products/services in a specific market, including organizing the event logistics/venue; conducting a targeted direct mail or e-mail campaigns; managing the promotional campaign and event-related logistics; providing logistical and promotional support on-site during the event; and providing a post-event de-briefing to discuss next steps.
19. Trade Event (not previously listed): Provides services to U.S. companies to connect them with foreign buyers and partners at trade events in order to help U.S. companies navigate the increasingly complex international marketplace. Services may also be provided to foreign companies attending these trade events to connect them with U.S. companies exporting goods and services. The services and fees for these trade events are separate from the International Buyer Program and Trade Fair Certification, which are administered by the ITA Industry and Analysis unit.

20. Trade Show Representation: Provides U.S. companies and economic development organizations with the ability to increase their marketing exposure at an overseas trade show when they are unable to attend in-person. The service entails conducting pre-trade show promotions via Internet/social media/email campaign, representing the client at the overseas trade show, displaying the client's promotional materials at the overseas trade show, and conducting outreach to foreign buyers/distributors in attendance at the trade show.
21. Virtual Fair *(not previously listed)*: Provides a group of U.S. entities with an opportunity to promote their products/services to potential partners in a foreign market live via a webinar platform.
22. Virtual Introduction *(not previously listed)*: Provides U.S. companies with a virtual introduction via conference call or email to a foreign buyer/partner that they have pre-identified. The U.S. exporter independently identifies the foreign company and contact information and requests an introduction. The U.S. Government is not allowed to and does not endorse or vouch for specific U.S. companies or their products or services.
23. Webinar: Provides U.S. firms and economic development organizations with export knowledge and/or market intelligence from experts located around the globe via an online webinar. The webinars are *often* archived on export.gov.
24. Website Globalization: Provides U.S. companies with services to enhance the strength of their website for attracting foreign partners/business.

Revisions to the User Fee Schedule

The fees for the export and investment promotion services/events listed in the revised User Fee Schedule below were set based on the same methodology as described in the Federal Register Notice published on July 10, 2017 (82 FR 31752). The revisions to the User Fee Schedule are *italicized* for emphasis.

Revised User Fee Schedule for Export Promotion Services/Events

Service/Event	Fee for Commercial Service Staff Time¹ <i>(Does not include other direct costs, when applicable, such as transportation, use of contractors, venue rental, promotional materials, catering, etc.)</i>			
	U.S. Small Company ²	U.S. Medium Company ³	U.S. Large Company	All Foreign Companies ⁴
Business Service Provider	\$150	\$250	\$350	\$350
	+ \$50 per language for translation if needed	+ \$50 per language for translation if needed	+ \$50 per language for translation if needed	+ \$50 per language for translation if needed
	+\$30 for additional category listing	+\$50 for additional category listing	+\$70 for additional category listing	+\$70 for additional category listing
	Annual renewal: \$75	Annual renewal: \$125	Annual renewal: \$175	Annual renewal: \$175
Conference	\$30 per staff hour	\$70 per staff hour	\$90 per staff hour	\$90 per staff hour
	+ any direct costs	+ any direct costs	+ any direct costs	+ any direct costs
Contact List	\$150	\$350	\$450	N/A

¹ Other direct costs not included in the service description must be assumed by the client. Types of other direct costs include translation, transportation, use of contractors, venue rental, catering, etc. *Please note that any transportation for ITA staff beyond 80 kilometers or more than 2 hours from an ITA office will be charged an additional user fee to cover the cost.*

² Must qualify as a “small business” under the Small Business Administration’s size standards, which vary by North American Industry Classification System (NAICS) Code: <https://www.sba.gov/document/support--table-size-standards>. Fees listed also apply to U.S. Economic Development Organizations (EDO) and Non-profit Educational Institutions *that purchase ITA services for their own use*. For example, when an EDO requests a Gold Key Service (GKS) to promote itself as a tourist destination, it will be charged the small company fee. If, however, an EDO requests a (GKS) to promote a U.S. company’s goods/services, the size of the company will be used to determine the fee.

³ Must have less than \$1B in annual revenue (including affiliates: parent, child, subsidiaries, divisions, etc.) to qualify.

⁴ Fees listed apply to all Foreign Companies regardless of their size.

Customized Market Research	\$30 per staff hour	\$70 per staff hour	\$90 per staff hour	N/A
Certified Trade Mission⁵	\$30 per staff hour + \$950 per participant if a Gold Key Service is included + any direct costs	\$70 per staff hour + \$2,300 per participant if a Gold Key Service is included + any direct costs	\$90 per staff hour + \$3,400 per participant if a Gold Key Service is included + any direct costs	N/A
Featured U.S. Exporter listing	\$150 (\$30 per market) + \$50 per language for translation if needed Annual renewal: \$75 (\$15 per market)	\$350 (\$70 per market) + \$50 per language for translation if needed Annual renewal: \$175 (\$35 per market)	\$500 (\$100 per market) + \$50 per language for translation if needed Annual renewal: \$250 (\$50 per market)	N/A
Foreign Buyer Delegation	N/A	N/A	N/A	\$90 per staff hour ⁶ + any direct costs
Gold Key Service (matchmaking)	Identify, Arrange & Attend: \$950 + \$350 for > than 5 appointments or if > than 8 hours is required to attend Identify & Arrange Appointments: \$800	Identify, Arrange & Attend: \$2,300 + \$1,000 for > than 5 appointments or if > than 8 hours is required to attend Identify & Arrange Appointments: \$1,850	Identify, Arrange & Attend: \$3,400 + \$1,200 for > than 5 appointments or if > than 8 hours is required to attend Identify & Arrange Appointments: \$2,400	N/A

⁵ Full package includes a market briefing, networking event/reception, and Gold Key Service.

⁶ Fee to be charged for services/events provided to foreign buyer delegates seeking U.S. suppliers of goods/services.

appointments)	<i>Arrange & Attend Appointments: \$125 per appointment</i> <i>Arrange Appointments: \$75 per appointment</i> <i>+ any direct costs</i>	<i>Arrange & Attend Appointments: \$280 per appointment</i> <i>Arrange Appointments: \$175 per appointment</i> <i>+ any direct costs</i>	<i>Arrange & Attend Appointments: \$360 per appointment</i> <i>Arrange Appointments: \$225 per appointment</i> <i>+ any direct costs</i>	
Initial Market Check	\$350	\$900	\$1,300	N/A
International Company Profile Full	\$700	\$1,200	\$2,000	N/A
International Company Profile Partial	\$150	\$350	\$450	N/A
International Partner Search	\$750	\$1,750	\$2,250	N/A
International Partner Search Plus Virtual Introductions	\$900 <i>+ \$30 per introduction beyond 5</i>	\$2,100 <i>+ \$70 per introduction beyond 5</i>	\$2,700 <i>+ \$90 per introduction beyond 5</i>	N/A
Official Letter	<i>Colombia Official Letter: \$100</i> <i>Philippines Letter on Reciprocity: \$100</i> <i>Philippines Letter on Appropriateness: \$150</i> <i>Thailand: Letter for Treaty of Amity, Defense, Equipment and Medical Device: Standard: \$100 Overnight: \$125</i>	<i>Colombia Official Letter: \$200</i> <i>Philippines Letter on Reciprocity: \$250</i> <i>Philippines Letter on Appropriateness: \$350</i> <i>Thailand: Letter for Treaty of Amity, Defense, Equipment and Medical Device: Standard: \$200 Overnight: \$250</i>	<i>Colombia Official Letter: \$300</i> <i>Philippines Letter on Reciprocity: \$350</i> <i>Philippines Letter on Appropriateness: \$450</i> <i>Thailand: Letter for Treaty of Amity, Defense, Equipment and Medical Device: Standard: \$300 Overnight: \$375</i>	N/A

	<i>Same Day: \$150</i> <i>Other Letters Specific to a Market: \$30 per hour</i>	<i>Same Day: \$275</i> <i>Other Letters Specific to a Market: \$70 per hour</i>	<i>Same Day: \$400</i> <i>Other Letters Specific to a Market: \$90 per hour</i>	
Other Services/Events	\$30 per staff hour + any direct costs	\$70 per staff hour + any direct costs	\$90 per staff hour + any direct costs	\$90 per staff hour + any direct costs
Seminar	<i>\$30 per staff hour</i> + any direct costs	<i>\$70 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs
Single Company Promotion	<i>\$30 per staff hour</i> + any direct costs	<i>\$70 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs	N/A
Trade Event	<i>\$30 per staff hour</i> + any direct costs	<i>\$70 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs
Trade Show Representation	\$400 + any direct costs	\$950 + any direct costs	\$1,350 + any direct costs	N/A
Virtual Introduction	<i>\$30 per introduction</i>	<i>\$70 per introduction</i>	<i>\$90 per introduction</i>	N/A
Virtual Fair	<i>\$30 per staff hour</i> + any direct costs	<i>\$70 per staff hour</i> + any direct costs	<i>\$90 per staff hour</i> + any direct costs	N/A
Webinar	\$25 per webinar hour	\$25 per webinar hour	\$25 per webinar hour	\$25 per webinar hour
Website Globalization	\$100	\$300	\$400	N/A

Revised User Fee Schedule for Investment Promotion Services/Events

Service	Fee for Commercial Service Staff Time for U.S. Economic Development Organizations⁷
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⁷ Other direct costs not included in the service description must be covered by the client in the form of additional user fees. Types of other direct costs include translation, transportation, use of contractors, venue rental, catering, etc.

	<i>(Does not include other direct costs, when applicable, such as transportation, use of contractors, venue rental, promotional materials, catering, etc.)</i>
Facilitated Investment Mission⁸	Full package: \$1,200 per stop; or \$30 per staff hour if not Full Package + any direct costs
International Company Profile – Full	\$700
International Company Profile – Partial	\$150
Other Services/Events	\$30 per staff hour + any direct costs
Seminar	\$30 per staff hour + any direct costs
Single Location Promotion	\$30 per staff hour + any direct costs
Trade Event	\$30 per staff hour + any direct costs

Notes:

- *All Events: All ITA staff time required to support an event is to be assessed a user fee at the hourly rates listed. When the size and number of the participants for an event is unknown, the estimated number of participants by company size will be used to apply the approved hourly rates.*

⁸ Full package includes a market briefing, networking event/reception, and matchmaking.

- *All Services: When requested by one entity on behalf of another entity(s), a user fee for ITA staff time will be assessed based on the company size of the end client(s)/ultimate beneficiary(ies) and not based on the size of the requesting entity.*
- *All Standardized Fee Services/Events: When ITA uses an alternative service provider/contractor (ASP) to complete some or all of the standardized tasks included in the statement of work for a standardized fee service/event, if the cost billed to ITA by the ASP plus the cost for any ITA staff time and other direct costs incurred is more than the ITA standardized fees, then an additional fee must be collected to recover the difference. However, if the cost billed to ITA by the ASP plus the cost for any ITA staff time and other direct costs incurred required to perform the service is less than the ITA standardized fees, then no additional fee will be collected.*
- *Fee Reductions for Follow-on Services: The table below lists the standardized fees to be charged if the follow-on service is provided after the initial service. The fee has been reduced for the follow-on service because the level of effort required is reduced by performing the initial service. However, if an Alternative Service Provider (ASP) is used to deliver the follow-on service, the cost billed to GM by the ASP and all other direct costs, must be fully recovered from the client in the form of additional fees. Payment for the follow-on service must be received within the deadline specified in the table below to be eligible for the reduced fee listed.*

Initial Service	Follow-On Service and Reduced Fee	Deadline to Purchase Follow-on Service
<i>Initial Market Check</i>	<i>International Partner Search: \$550 for a Small Company; \$1,300 for a Medium Company; and \$1,650 for a Large Company.</i>	<i>180 days</i>

	<i>International Partner Search Plus Virtual Introductions: \$700 for a Small Company; \$1,650 for a Medium Company; and \$2,100 for a Large Company.</i> <i>Gold Key Service: \$750 for a Small Company; \$1,850 for a Medium Company; and \$2,800 for a Large Company.</i>	
<i>International Partner Search</i>	<i>International Partner Search Plus Virtual Introductions: \$150 for a Small Company; \$350 for a Medium Company; and \$450 for a Large Company.</i> <i>Gold Key Service = \$625 for a Small Company; \$1,400 for a Medium Company; and \$1,800 for a Large Company.</i>	<i>60 days</i>
<i>International Company Profile - Partial</i>	<i>International Company Profile – Full: \$550 for a Small Company; \$850 for a Medium Company; and \$1,550 for a Large Company.</i>	<i>30 days</i>

- **Business Service Provider:** Individual category fee. To be listed in more than one category, there is an additional fee per category of \$30 for small companies, \$50 for medium companies and \$70 for large companies. The annual renewal fee is \$75 for small companies, \$125 for medium companies and \$175 for large companies.
- **Certified Trade Mission:** The fee is assessed per Post/city. Applicants will be charged a fee for an Initial Market Check if staff is uncertain about their market potential. The fee paid by the applicant is then applied to their Certified Trade Mission fee if they participate in the mission.
- **Featured U.S. Exporter:** Listings are typically provided for up to 5 markets. *An individual market listing can be provided for \$30 for small companies, \$50 for medium companies, and \$70 for large companies. The annual renewal fee for 5 listings is \$75 for small companies,*

\$175 for medium companies, and \$250 for large companies. An individual market listing can be renewed for \$15 for small companies, \$25 for medium companies, and \$35 for large companies. Fee for translation is per language and will be charged for the initial listing and for adjustments requested.

- Initial Market Check: Is a required precursor for more time intensive services if staff is uncertain about a client's market potential. Fees paid for the Initial Market Check will then be applied to one follow-on service if the results are positive.
- Webinars: *Will be provided at a standard fee of \$25 per participant per webinar hour. No charge for webinar participation will be assessed by ITA when the purpose is to promote/recruit for an ITA or other USG agency hosted event or when serving only as a guest speaker for a webinar organized by a third party.*

Conclusion

Based on the information provided above, ITA believes its revised fee schedules are more consistent with the mission to promote “exports of goods and services from the United States, particularly by small businesses and medium businesses,” and better achieve the objective of OMB Circular A-25 to “promote efficient allocation of the nation’s resources by establishing charges for special benefits provided to the recipient that are at least as great as the cost to the U.S. Government of providing the special benefits.” ITA will reassess this fee schedule after its first year of implementation and, in accordance with OMB Circular A-25, at least every two years thereafter.

Dated: May 29, 2018

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